

CARDINAL FACTOR CORPORATION

PROXY

Solicited on Behalf of Management of the Corporation for the Annual Meeting of Shareholders to be held on July 30, 2001

The undersigned holder of common shares ("Common Shares") of Cardinal Factor Corporation (the "Corporation") hereby appoints Andrew C. Colebeck, the President, Chief Executive Officer and a director of the Corporation or, failing him, Brian H. Sloan, the Chief Technology Officer and a director of the Corporation, or instead of either of them, _____ as proxy, with power of substitution to attend, vote and otherwise act for the undersigned, in respect of all Common Shares registered in the name of the undersigned, at the annual meeting of shareholders of the Corporation (the "Meeting") to be held at the offices of Blake, Cassels & Graydon LLP, Ottawa Room, 23rd Floor, Commerce Court West, 199 Bay Street, Toronto, Ontario on July 30, 2001 at 4:00 p.m. (Toronto time), or at any adjournment thereof, to the same extent and with the same power, but subject to the following designations, as if the undersigned were personally present thereat:

1. **VOTE FOR** Γ or **WITHHOLD FROM VOTING** Γ (or, if no specification is made, **VOTE FOR**) the appointment of Daren, Martenfeld, Carr, Testa and Company LLP, Chartered Accountants, as the auditors of the Corporation and the authorization of the Corporation's board of directors to fix their remuneration;
2. **VOTE FOR** Γ or **WITHHOLD FROM VOTING** Γ (or, if no specification is made, **VOTE FOR**) the election of the persons nominated as directors of the Corporation as listed in the management information circular dated June 26, 2001; and

and in their discretion to vote on amendments or variations to matters identified in the Notice of Meeting or such other matters as may properly come before the Meeting including any adjournment thereof.

Each holder of Common Shares has the right to appoint a person other than Messrs. Colebeck and Sloan, the management nominees, as proxyholder to attend and act on his behalf at the Meeting. Such right may be exercised by inserting the name of the person to be appointed in the blank space provided above, or in another proper form of proxy and, in either case, dating and signing the form of proxy and delivering it to Equity Transfer Services Inc., Suite 420, 120 Adelaide Street West Toronto, Ontario, Canada. M5H 4C3, to be received no later than 4:00 p.m. (Toronto time) on Friday July 27, 2001, or if the

Meeting is adjourned, no later than 24 hours, Saturdays and holidays excepted, prior to the adjourned Meeting.

The undersigned hereby revokes any proxy previously given in respect of the Meeting.

DATED this _____ day of _____, 2001.

Signature of Shareholder

Name of Shareholder (Print)

NOTES:

- (1) This form of proxy must be signed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized.
- (2) If this proxy is not dated in the space above, it shall be deemed to bear the date on which it is mailed.